Unemployment Insurance Review

November—December 1966

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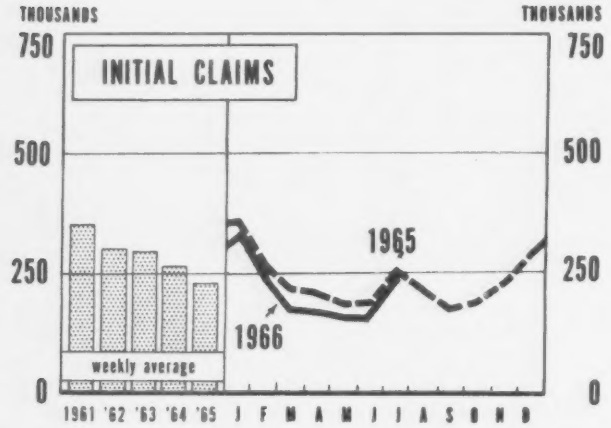
Unemployment Insurance Financial Developments
California's Claimant Eligibility Profile

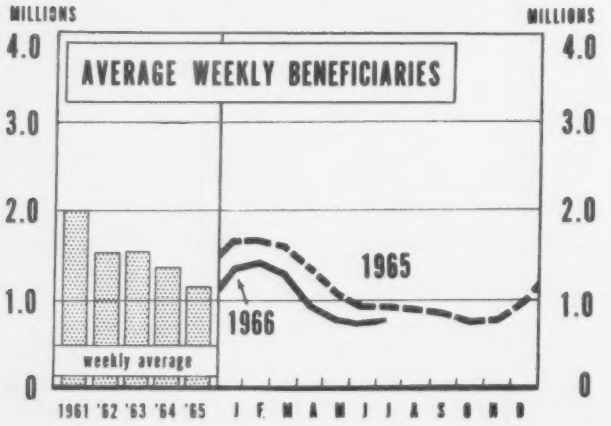
U.S. DEPARTMENT OF LABOR—W. Willard Wirtz, Secretary

UNEMPLOYMENT INSURANCE ACTIVITIES

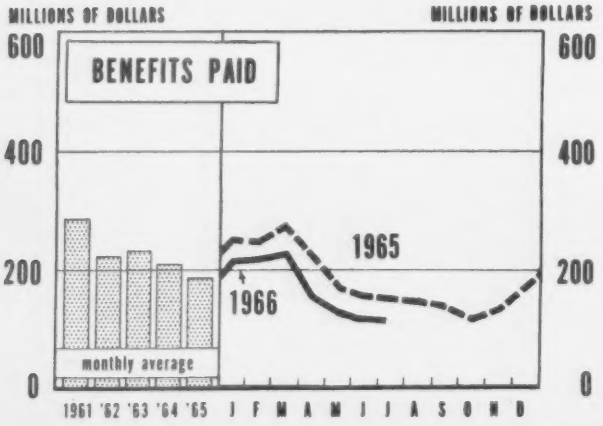
UNDER STATE PROGRAMS



Initial claims under State programs declined substantially greater than seasonally in September, dropping 16 percent to a weekly average of 144,700. This was also 16 percent below a year earlier and the lowest number in 14 years.



The number of unemployed workers receiving benefit payments under State unemployment insurance programs average 649,000 per week in September, compared with 791,000 in August and 834,000 a year earlier.



A total of $106.5 million in benefits was paid to insured jobless workers under State unemployment insurance programs in September—a decrease of $36.5 million from August, $32.0 million less than a year earlier and the lowest amount for any month since November 1956.

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U.S. DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary

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BUREAU OF EMPLOYMENT SECURITY
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UNEMPLOYMENT INSURANCE SERVICE
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Fiscal Year 1966

Unemployment Insurance Financial Developments

PASCHAL C. ZECCA

THE SUSTAINED ADVANCE in economic activity that continued through most of fiscal year 1966 was reflected in the unemployment insurance financial experience for the year. Total unemployment insurance reserves increased by $1.4 billion during fiscal year 1966 and reached a record total of $9.0 billion on June 30, 1966, or 17.8 percent larger than a year earlier (table 1). Growth in reserves, however, can be measured adequately only in relation to wages (preferably *total* rather than *taxable* wages) earned during the year, as are also measured both benefit expenditures and tax rates. The resulting percentages or ratios permit valid comparison over time to take into account changes in wage levels. For example, the reserve level of $9.0 billion on June 30, 1966, was 5.7 percent more than the $8.5 billion 9 years earlier on June 30, 1957. However, when these amounts are taken as a percent of total wages during the specified years, the reserve ratio at the end of fiscal year 1957 (5.0 percent) was 43.3 percent larger than the reserve ratio at the end of fiscal year 1966 (3.49 percent). Similarly, when comparing the current reserve ratio with that of the preceding year, the June 1966 ratio increased by 12.6 percent from the level a year earlier (compared with a rise of 17.8 percent on the basis of dollar amounts). Reserves on June 30, 1966, approximated 6.25 percent of taxable wages and 3.49 percent of total wages, compared with the corresponding figures of 5.41 and 3.10 percent on June 30, 1965 (table 2).

During fiscal year 1966, the total of taxes collected amounted to an alltime high of $3.1 billion, or 0.5 percent above the level of a year ago. Benefit expenditures, on the other hand, declined 17.5 percent to a level of $1.9 billion, reflecting the reemployment of a sizable number of the insured unemployed. The high levels of tax collections in absolute amounts of the past several years have been sustained to a large extent by the growth in payrolls, as average employer tax rates (based on either taxable wages or total wages) have been decreasing, albeit slowly. For calendar year 1966, the national average employer tax rate was estimated at 2.0 percent of taxable wages, compared with 2.12 percent in 1965 and 2.21 percent in 1964.

State Differences

State differences in unemployment insurance financial developments were as usual significant, reflecting not only the varying financing provisions of State law but also the impact of local economic conditions. The significance of State variations in any of the more important financial data lies in the context of reserve fund adequacy. Tax collections and benefit payments, as the main items

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TABLE 1. SUMMARY OF FINANCIAL ACTIVITIES OF STATE UNEMPLOYMENT INSURANCE FUNDS, FISCAL YEAR 1966

[In thousands]

State	Available reserve fund as of June 30, 1965 1/	Revenue during year				Disbursements during year				Available reserve fund as of June 30, 1966 1/
		Total revenue	Contributions collected 2/	Interest earned	Transfers to State accounts 3/	Total disbursements	Benefits paid	Penalties and interest 4/	Transfers out of State accounts 5/	
United States	$7,643,029	$3,365,823	$3,061,858	$292,154	$11,811	$2,005,496	$1,900,515	$122	$104,859	$9,003,355
Alabama	86,324	31,188	27,813	3,304	71	20,143	17,277	-	2,866	97,369
Alaska	11,557	10,551	10,272	249	30	6,515	6,515	-	-	15,593
Arizona	64,705	16,747	14,370	2,352	25	13,147	13,041	-	106	68,304
Arkansas	28,181	17,335	16,164	1,162	9	10,031	9,959	1	71	35,484
California	623,415	549,437	519,925	23,524	5,988	460,865	460,772	-	93	711,987
Colorado	57,044	18,042	15,775	2,212	55	9,474	9,474	-	-	65,613
Connecticut	188,880	64,531	56,723	7,333	475	29,132	29,108	24	-	224,279
Delaware	21,704	8,647	7,784	863	-	4,782	4,782	-	-	25,571
Dist. of Col.	63,538	11,041	8,721	2,320	-	8,078	8,078	-	-	66,500
Florida	172,286	43,436	36,737	6,569	130	18,508	18,075	-	433	197,214
Georgia	184,359	41,585	34,428	7,113	44	13,686	13,132	-	554	212,259
Hawaii	20,746	11,670	10,832	820	18	6,909	6,909	-	-	25,507
Idaho	28,329	10,516	9,375	1,141	-	5,332	5,332	-	-	33,512
Illinois	507,399	125,935	106,019	19,266	650	78,247	78,208	-	39	555,087
Indiana	173,248	56,200	48,945	6,715	540	26,275	21,919	4	4,352	203,172
Iowa	112,879	14,244	9,957	4,182	105	7,806	7,806	-	-	119,316
Kansas	61,173	18,859	16,486	2,327	46	11,287	11,172	-	115	68,745
Kentucky	114,339	31,270	26,879	4,391	-	16,936	16,936	-	-	128,673
Louisiana	118,579	40,100	35,373	4,594	133	21,294	21,294	-	-	137,384
Maine	31,382	11,501	10,187	1,250	64	5,964	5,964	-	-	36,920
Maryland	162,392	57,576	51,210	6,329	37	28,234	25,172	-	3,062	191,735
Massachusetts	201,160	147,485	139,278	8,070	137	97,475	91,458	-	6,017	251,170
Michigan	475,756	194,385	178,441	15,942	2	88,092	61,992	-	26,100	582,049
Minnesota	19,515	33,745	32,176	942	627	21,411	21,362	49	-	31,851
Mississippi	54,442	20,126	17,809	2,250	67	6,568	6,486	-	82	68,000
Missouri	225,888	54,258	45,314	8,616	328	28,988	28,652	-	336	251,159
Montana	18,226	6,363	5,650	690	23	5,379	5,379	-	-	19,210
Nebraska	40,711	9,070	7,559	1,493	18	7,320	7,167	-	153	42,461
Nevada	28,801	11,187	10,152	1,035	-	11,265	11,265	-	-	28,723
New Hampshire	27,237	8,884	7,755	1,100	29	2,430	2,428	2	-	33,691
New Jersey	292,129	155,589	144,411	11,137	41	112,186	112,186	-	-	335,532
New Mexico	34,262	8,172	6,870	1,276	26	6,463	6,463	-	-	35,972
New York	1,217,024	510,630	464,023	46,585	22	356,874	337,126	-	19,748	1,370,781
North Carolina	225,746	54,388	45,651	8,737	-	22,091	22,091	-	-	258,043
North Dakota	5,495	5,732	5,494	238	-	5,544	5,544	-	-	5,683
Ohio	291,353	206,019	192,105	13,007	907	59,254	59,008	1	245	438,118
Oklahoma	45,679	18,295	16,530	1,765	-	11,734	11,734	-	-	52,241
Oregon	87,257	35,658	32,134	3,479	45	19,630	19,630	-	-	103,285
Pennsylvania	314,686	317,534	306,108	11,426	-	137,383	99,281	-	38,102	494,839
Puerto Rico	55,759	22,662	20,650	2,005	7	16,823	16,823	-	-	61,591
Rhode Island	50,272	22,884	20,891	1,993	-	14,046	12,003	-	2,043	59,111
South Carolina	91,057	24,412	20,860	3,509	43	10,129	10,129	-	-	105,341
South Dakota	14,305	2,759	2,224	535	-	1,988	1,988	-	-	15,076
Tennessee	94,316	48,469	44,461	3,914	94	19,725	19,650	-	75	123,060
Texas	242,314	65,452	55,983	9,157	312	36,087	35,872	-	215	271,678
Utah	35,508	11,823	10,496	1,327	-	10,083	10,083	-	-	37,248
Vermont	6,360	8,053	7,744	309	-	3,392	3,387	5	-	11,021
Virginia	142,149	25,289	19,493	5,405	391	8,028	8,028	-	-	159,410
Washington	202,799	68,332	60,336	7,837	159	36,495	36,464	31	-	234,636
West Virginia	59,427	17,639	15,351	2,262	26	10,662	10,656	6	-	66,403
Wisconsin	202,231	55,671	47,845	7,738	88	32,930	32,877	-	53	224,973
Wyoming	8,705	4,450	4,092	358	-	2,378	2,378	-	-	10,777

1/ Represents sum of balances at end of month in States' clearing account and benefit-payment account, and in State Unemployment Trust Fund Account in the U.S. Treasury; State Unemployment Trust Fund balance in U.S. Treasury includes amounts credited to States' accounts in the Unemployment Trust Fund under the provisions of the Employment Security Administrative Financing Act of 1954 as amended. Includes outstanding advances from Federal account in Unemployment Trust Fund as follows:

	June 30, 1965	June 30, 1966
Alaska	$7,960,524	$7,681,043
Michigan	89,487,298	80,787,298
Pennsylvania	86,831,000	74,131,000

2/ Data represent contributions, penalties, and interest from employers, and contributions from employees in three States (Alabama, Alaska, and New Jersey) which tax workers. Adjusted for refunds and for dishonored contribution checks.

3/ Includes amount of reimbursements from the Federal Extended Compensation Account (TEC Act 1961), Manpower Development Training Act of 1962, and the Temporary Unemployment Compensation Act of 1958 (TUC) to the Unemployment Trust Fund Account.

4/ Represents penalties and interest collected from delinquent employers and transferred to States' special administrative fund.

5/ Includes funds withdrawn from the Unemployment Trust Fund for administration and for restoration of funds made available to the States in 1958 under the Temporary Unemployment Compensation Act of 1958 (TUC).

TABLE 2. SELECTED FINANCIAL DATA ON STATE UNEMPLOYMENT INSURANCE PROGRAMS, FISCAL YEARS 1966 AND 1965

State	Tax base $3,000 except as shown, with effective dates[1]	Cost rate: Benefits as a percent of-- Taxable wages[1]		Cost rate: Benefits as a percent of-- Total wages		Reserve ratio: Funds available as of June 30, as a percent of-- Taxable wages[1]		Reserve ratio: Funds available as of June 30, as a percent of-- Total wages		Highest consecutive 12-month cost rate during last 10-year period as of June 30 (based on total wages)		Reserve ratio as a multiple of highest consecutive 12-month cost rate during last 10-year period as of June 30 (based on total wages)	
		1966[2]	1965	1966[2]	1965	1966[2]	1965	1966[2]	1965	1966[2][3]	1965	1966[2]	1965
United States		1.35	1.63	.74	.93	6.25	5.41	3.49	3.10		2.05	1.70	1.51
Alabama		.97	.91	.58	.56	5.45	4.94	3.26	3.06		1.93	1.69	1.59
Alaska	$7,200 (1/60)	2.28	1.79	1.83	1.47	4/5.47	4/4.13	4/4.37	4/3.40		4.33	1.01	.79
Arizona	$3,600 (1/65)	1.34	1.80	.84	1.08	7.03	7.13	4.40	4.26	1.16	1.08	3.79	3.94
Arkansas		1.05	1.45	.72	1.02	3.76	3.10	2.57	2.17		1.76	1.46	1.23
California	$4,100 (1/66)	2.68	3.19	1.59	1.93	4.14	3.68	2.46	2.23		2.26	1.09	.99
Colorado		.80	1.22	.44	.68	5.57	4.97	3.05	2.77		1.26	2.42	2.20
Connecticut		1.14	1.64	.58	.85	8.79	7.55	4.51	3.93		2.87	1.57	1.37
Delaware	$3,600 (1/55)	.94	1.09	.51	.62	5.01	4.34	2.75	2.47		1.60	1.72	1.54
Dist. of Col.		.96	1.13	.49	.61	7.75	7.47	4.06	4.02		.77	5.27	5.22
Florida		.54	.66	.32	.41	5.84	5.27	3.52	3.26		1.13	3.12	2.88
Georgia		.50	.66	.30	.42	8.01	7.16	4.90	4.53		1.59	3.08	2.85
Hawaii	$4,300 (1/66)	1.23	1.38	.87	.95	4.52	3.99	3.20	2.75		1.85	1.73	1.49
Idaho	$3,600 (1/63)	1.27	1.62	.85	1.11	7.98	6.98	5.35	4.81		2.24	2.39	2.15
Illinois		.87	1.10	.43	.56	6.18	5.76	3.07	2.94		1.72	1.78	1.71
Indiana		.57	.73	.30	.39	5.26	4.59	2.74	2.46		1.73	1.58	1.42
Iowa		.55	.66	.30	.36	8.38	8.14	4.62	4.60		.97	4.76	4.74
Kansas		1.02	1.49	.58	.85	6.30	5.71	3.56	3.26		1.37	2.60	2.38
Kentucky		1.12	1.42	.66	.86	8.51	7.74	4.99	4.65		2.77	1.80	1.68
Louisiana		1.12	1.32	.64	.77	7.24	6.48	4.14	3.80		1.95	2.12	1.95
Maine		1.00	1.26	.63	.82	6.16	5.37	3.91	3.50		2.84	1.38	1.23
Maryland		1.07	1.32	.60	.76	8.17	7.04	4.56	4.04		2.19	2.08	1.84
Massachusetts	$3,600 (1/62)	1.76	2.28	1.07	1.43	4.82	3.91	2.94	2.45		2.06	1.43	1.19
Michigan	$3,600 (4/63)	.83	.89	.44	.49	4/7.82	4/6.57	4/4.13	4/3.62		3.69	1.12	.98
Minnesota	$4,800 (1/66)	.95	1.43	.50	.77	1.42	.90	.75	.48		1.70	.44	.28
Mississippi		.70	.99	.47	.69	7.30	6.10	4.94	4.28		1.93	2.56	2.22
Missouri		.91	1.09	.48	.60	7.95	7.27	4.22	3.96		1.26	3.35	3.14
Montana		1.49	1.86	.91	1.16	5.33	5.17	3.26	3.23		3.03	1.08	1.08
Nebraska		1.00	1.16	.58	.69	5.90	5.74	3.44	3.39		.98	3.51	3.46
Nevada	$3,800 (4/65)	2.23	2.12	1.44	1.36	5.67	5.84	3.68	3.77		2.75	1.34	1.37
New Hampshire		.51	1.11	.31	.70	7.09	5.91	4.37	3.73		1.83	2.39	2.04
New Jersey		2.09	2.53	1.05	1.31	6.25	5.54	3.15	2.87		2.63	1.20	1.09
New Mexico		1.26	1.55	.74	.93	7.01	6.77	4.10	4.03		1.64	2.50	2.46
New York		2.09	2.39	1.05	1.23	8.49	7.61	4.28	3.92		2.18	1.96	1.80
North Carolina		.71	.97	.46	.66	8.29	7.45	5.42	5.05		1.82	2.98	2.77
North Dakota		2.45	2.50	1.47	1.56	2.51	2.38	1.51	1.49		1.86	.81	.80
Ohio		.74	1.04	.36	.53	5.47	3.71	2.71	1.89		2.44	1.11	.77
Oklahoma		.96	1.21	.55	.71	4.29	3.83	2.45	2.23		1.34	1.83	1.66
Oregon	$3,600 (1/65)	1.23	1.49	.77	.99	6.48	5.47	4.08	3.63		2.85	1.43	1.27
Pennsylvania	$3,600 (1/64)	.96	1.29	.58	.80	4/4.79	4/3.08	4/2.88	4/1.90		3.02	.95	.67
Puerto Rico 5/		2.37	2.53	1.91	2.09	8.69	8.12	7.00	6.68		2.11	3.32	3.17
Rhode Island	$3,600 (1/56)	1.50	1.62	.99	1.10	7.38	6.38	4.86	4.32		2.97	1.64	1.45
South Carolina		.70	.91	.46	.62	7.25	6.44	4.78	4.41		1.36	3.51	3.24
South Dakota		.90	1.21	.54	.75	6.81	6.52	4.12	4.00		1.04	3.96	3.85
Tennessee	$3,300 (1/63)	.81	1.07	.53	.71	5.10	4.03	3.31	2.68		2.18	1.51	1.23
Texas		.59	.88	.34	.51	4.48	4.08	2.56	2.38		.98	2.61	2.43
Utah	$4,200 (1/64)	1.45	1.87	.98	1.30	5.35	5.09	3.63	3.53		1.38	2.63	2.56
Vermont	$3,600 (1/64)	1.20	1.74	.83	1.24	3.92	2.37	2.69	1.68		2.17	1.24	.77
Virginia		.32	.46	.20	.28	6.45	5.85	3.88	3.63		.97	4.00	3.74
Washington		1.74	2.66	.91	1.43	11.17	10.02	5.87	5.37		2.20	2.67	2.44
West Virginia	$3,600 (1/62)	.92	1.12	.56	.70	5.74	5.19	3.51	3.26		2.63	1.33	1.24
Wisconsin	$3,600 (1/66)	1.15	1.38	.60	.73	7.88	7.23	4.08	3.84		1.82	2.24	2.11
Wyoming		1.23	1.47	.75	.90	5.59	4.43	3.39	2.71		2.44	1.39	1.11

1/ Taxable wages are those portions of the aggregate wages in covered employment which are subject to State unemployment insurance taxes. The taxable wage base is the first $3,000 of a worker's annual earnings in all States except 18.

2/ Due to a 6-month lag in reporting wages, reserve ratios and cost rates for June 30, 1966 have, as their base, wages for the prior calendar year.

3/ No change in high cost rate since December 31, 1965, unless otherwise indicated.

4/ The reserve on which this ratio is based includes the amount advanced from the Federal Unemployment Account and not repaid. See table 1, footnote 1.

5/ Puerto Rico covered under Federal Unemployment Tax Act, January 1, 1961.

of income and outgo, affect reserves. Unemployment insurance financing, however, has long-term considerations based on the requirement that there be a balance between income and outgo over a sufficiently long period of time to permit averaging of the program costs of peak and trough years. Although the financial developments of any one year have particular significance only within the context of long-run trends, they do assume more than usual importance for States whose reserve funds are not considered adequate to meet potential liabilities.

Benefit payments.—Compared with a year earlier, benefit payments increased in three States (table 3)—Alaska (30.2 percent), Alabama (9.0 percent), and Nevada (8.0 percent). The increase in Alabama was due to the increased maximum weekly benefit amount from $32 to $38. In Alaska

and Nevada, the increase in the benefit load was the result of higher rates of insured unemployment. Nevada was affected by locally significant cutbacks in construction; Alaska, by the return to more normal higher levels of unemployment following the extremely low levels of 1964, when widespread hiring was necessitated by the earthquake. Of the 49 States reporting lower benefit payments in fiscal year 1966, the decreases in 15 amounted to 25 percent or more. The largest drop occurred in New Hampshire—52.7 percent.

Changes in benefit cost rates (benefit payments as percentages of aggregate payrolls, taxable or total) were also significantly lower in fiscal 1966. Benefit cost rates based on total wages[1] ranged from 0.20 percent in Virginia and 0.30 percent in Georgia, Indiana, and Iowa to 1.83 percent in Alaska and 1.91 percent in Puerto Rico. Only three States had higher cost rates than in the previous year (Alabama, Alaska, and Nevada), while substantial decreases were experienced in most of the remaining States.

Tax collections.—The amount of tax collections depends on the average employer contribution rate and the aggregate amount of taxable wages. Thirty-three States had higher tax collections in fiscal year 1966 than in fiscal year 1965. Increases in these States ranged from 52.5 percent in Vermont and 17.0 percent in Arkansas to less than 0.05 percent in Rhode Island and Texas. Increases in a number of States were due primarily to the increase in taxable payrolls rather than to increased tax rates assigned to employers. The largest decreases in tax collections occurred in Illinois (26.9 percent), Wyoming (24.2 percent), and Delaware (20.4 percent). In all cases, the

[1] Because of the effect of differences in State tax base and of geographical wage rate differentials, using total wages rather than taxable wages provides a more stable measure. See discussion in the *Unemployment Insurance Review*, November–December 1965, pp. 5–6, and in *The Labor Market and Employment Security*, June 1962, p. 7.

TABLE 3. STATE RESERVE RATIO[1] AS A MULTIPLE OF HIGHEST 12-MONTH BENEFIT COST RATE[2] DURING THE PRECEDING 10-YEAR PERIOD, AND PERCENT CHANGES IN DOLLAR RESERVES, TAX COLLECTIONS, AND BENEFIT PAYMENTS

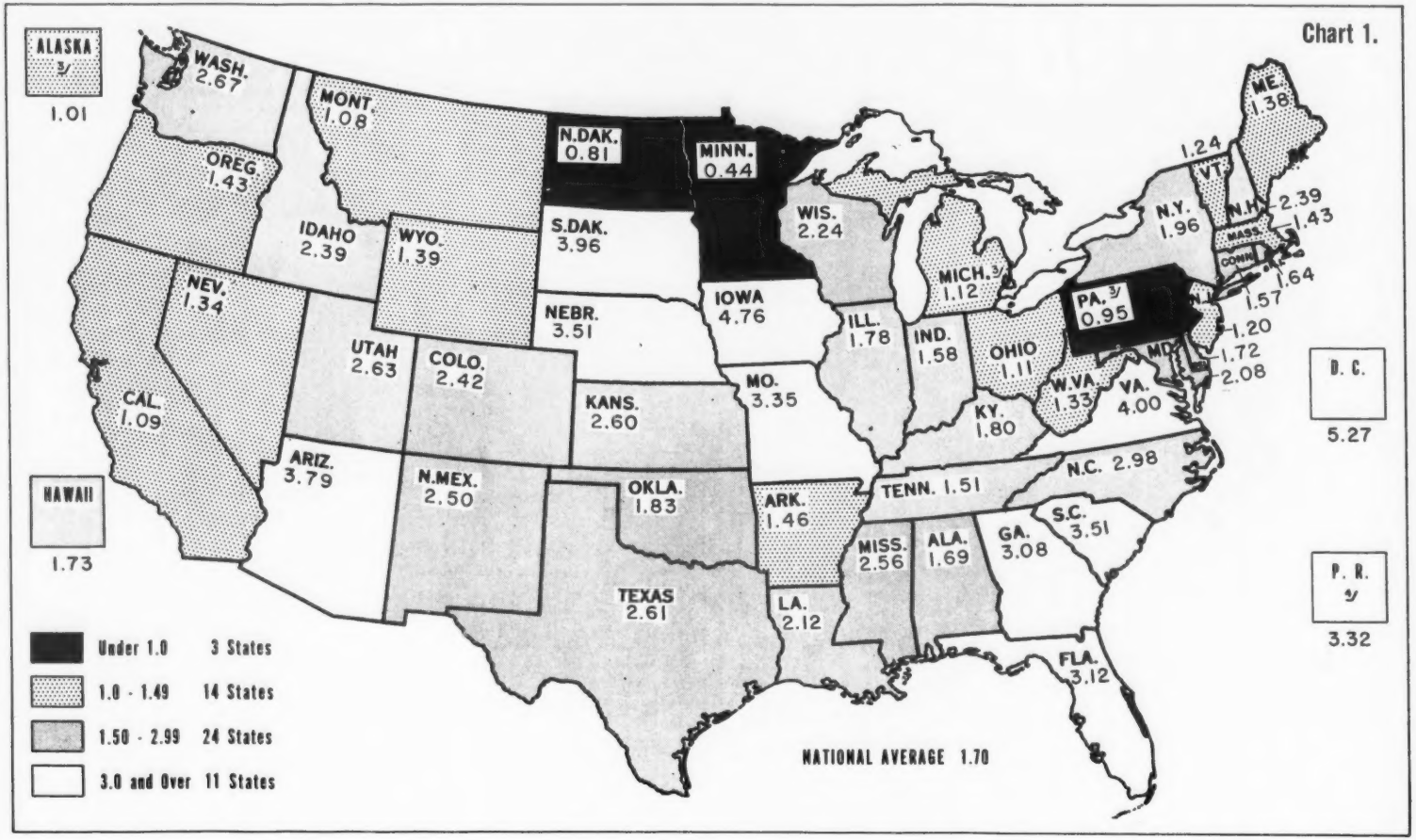
Fiscal Years 1965 and 1966

STATE	Reserve ratio as a multiple of highest 12-month benefit cost rate as of June 30, 1965	Percent changes from fiscal years 1965 to 1966			Reserve ratio as a multiple of highest 12-month benefit cost rate as of June 30, 1966	STATE	Reserve ratio as a multiple of highest 12-month benefit cost rate as of June 30, 1965	Percent changes from fiscal years 1965 to 1966			Reserve ratio as a multiple of highest 12-month benefit cost rate as of June 30, 1966
		Reserves	Tax collections	Benefit payments				Reserves	Tax collections	Benefit payments	
Minnesota	.28	+ 63	+ 7	- 32	.44	Delaware	1.54	+ 18	- 20	- 12	1.72
Pennsylvania	3/ .67	3/ + 57	+ 1	- 25	3/ .95	Alabama	1.59	+ 13	- 1	+ 9	1.69
Ohio	.77	+ 50	- 9	- 28	1.11	Oklahoma	1.66	+ 14	- 4	- 19	1.83
Vermont	.77	+ 73	+ 52	- 28	1.24	Kentucky	1.68	+ 13	- 2	- 20	1.80
Alaska	3/ .79	3/ + 35	+ 8	+ 30	3/ 1.01	Illinois	1.71	+ 9	- 27	- 19	1.78
North Dakota	.80	+ 3	- 2	- 4	.81	New York	1.80	+ 13	+ 4	- 12	1.96
Michigan	3/ .98	3/ + 22	- 1	- 4	3/ 1.12	Maryland	1.84	+ 18	- 14	- 17	2.08
California	.99	+ 14	+ 3	- 15	1.09	Louisiana	1.95	+ 16	+ 6	- 12	2.12
						New Hampshire	2.04	+ 24	+ 3	- 53	2.39
Montana	1.08	+ 5	+ 7	- 18	1.08	Wisconsin	2.11	+ 11	+ 9	- 14	2.24
New Jersey	1.09	+ 15	+ 7	- 16	1.20	Idaho	2.15	+ 18	+ 7	- 19	2.39
Wyoming	1.11	+ 24	- 24	- 18	1.39	Colorado	2.20	+ 15	- 7	- 32	2.42
Massachusetts	1.19	+ 25	+ 3	- 22	1.43	Mississippi	2.22	+ 25	- 7	- 27	2.56
Arkansas	1.23	+ 26	+ 17	- 25	1.46	Kansas	2.38	+ 12	+ 8	- 30	2.60
Maine	1.23	+ 18	- 6	- 19	1.38	Texas	2.43	+ 12	(4/)	- 31	2.61
Tennessee	1.23	+ 30	+ 13	- 22	1.51	Washington	2.44	+ 16	+ 12	- 32	2.67
West Virginia	1.24	+ 12	+ 14	- 17	1.33	New Mexico	2.46	+ 5	+ 4	- 18	2.50
Oregon	1.27	+ 18	- 7	- 17	1.43	Utah	2.56	+ 5	+ 6	- 23	2.63
Connecticut	1.37	+ 19	+ 8	- 29	1.57	North Carolina	2.77	+ 14	+ 2	- 25	2.98
Nevada	1.37	- 3	- 12	+ 8	1.34	Georgia	2.85	+ 15	+ 7	- 23	3.08
Indiana	1.42	+ 17	+ 10	- 20	1.58	Florida	2.88	+ 14	- 10	- 17	3.12
Rhode Island	1.45	+ 18	(4/)	- 6	1.64						
Hawaii	1.49	+ 23	+ 2	- 4	1.73	Mississippi	3.14	+ 11	+ 5	- 16	3.35
						Puerto Rico	3.17	+ 10	+ 8	- 3	3.32
U. S. AVERAGE	1.51	+ 18	+ 1	- 17	1.70	South Carolina	3.24	+ 16	+ 10	- 21	3.51
						Nebraska	3.46	+ 4	- 9	- 13	3.51
						Virginia	3.74	+ 12	- 6	- 27	4.00
						South Dakota	3.85	+ 5	- 1	- 25	3.96
						Arizona 5/	3.94	+ 6	+ 13	- 20	3.79
						Iowa	4.74	+ 6	- 2	- 13	4.76
						Dist. of Col.	5.22	+ 5	+ 9	- 16	5.27

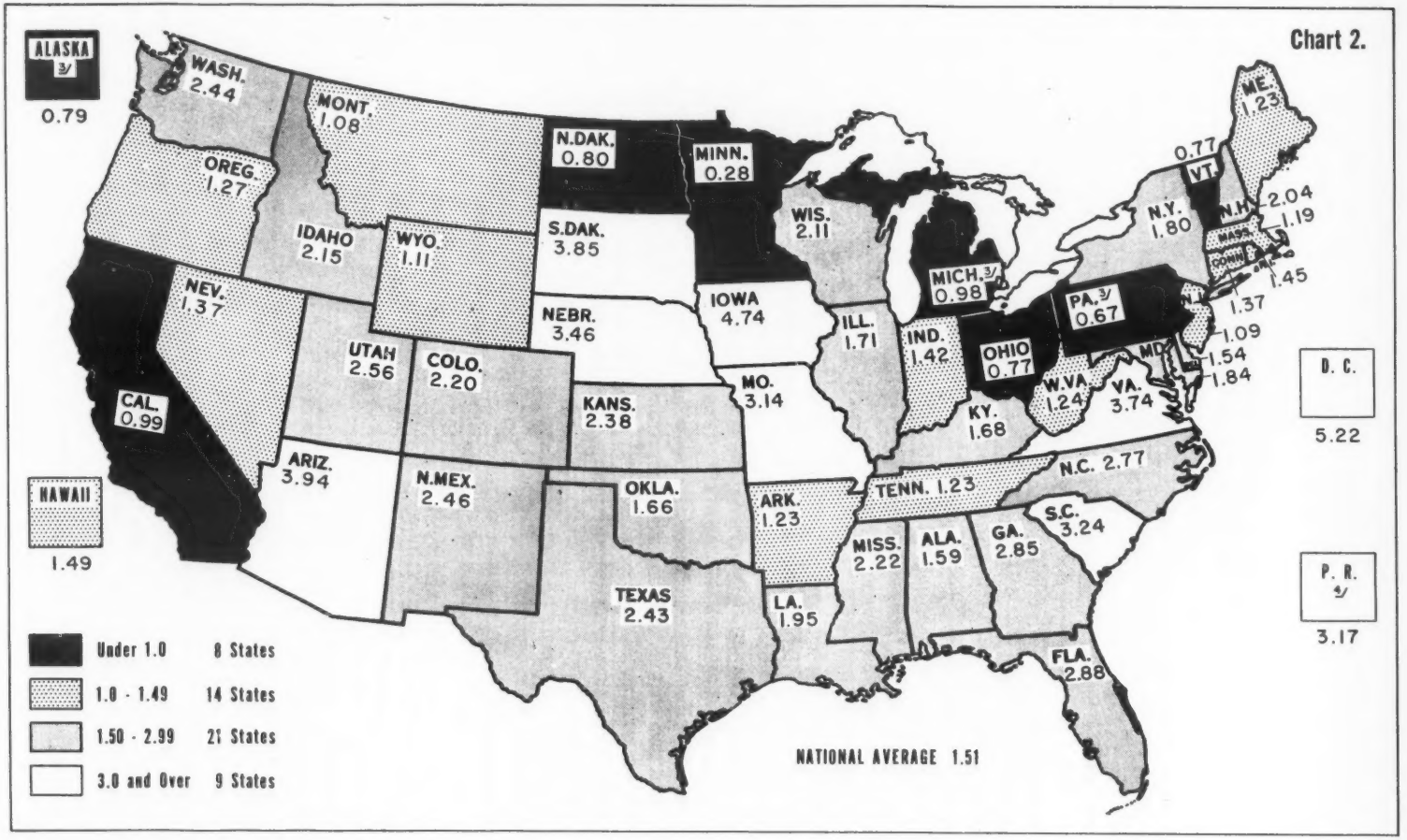
1/ Reserves as percent of total wages.
2/ Benefits as percent of total wages.
3/ The reserve includes the amount advanced from the Federal Unemployment Account and not repaid. See table 1, footnote 1.
4/ Less than 0.05 percent.
5/ Only one State experienced a change (increase) in the highest 12-month benefit cost rate during fiscal year 1966, as shown in table 2--Arizona. The remaining 51 States had no change, and, therefore, their reserve multiple (reserve ratio ÷ highest cost rate) as between June 30, 1965, and June 30, 1966, moved upward (or downward) solely because their reserve ratio moved upward (or downward).

STATE RESERVE RATIO[1/] AS A MULTIPLE OF HIGHEST 12 MONTH BENEFIT COST RATE[2/]

As of June 30, 1966



As of June 30, 1965



1/ Reserves as percent of TOTAL wages.

2/ Highest cost rate (percent of TOTAL wages) during most recent 10-year period.

3/ Includes advances from Federal Unemployment Account.

4/ Puerto Rico covered under Federal Unemployment Tax Act, January 1, 1961.

decline in revenue reflected lower tax rates assigned to employers. In Illinois, for example, the average employer contribution rate declined from 1.93 percent of taxable wages in 1964 to 1.36 percent in 1965 and an estimated 0.8 percent in 1966.

Reserves.—Reserve balances increased in all States except one (Nevada, −0.3 percent). The largest increases occurred in States in need of strengthening their fund balances, as indicated by the reserve multiple (discussed in the following section). These States were Vermont (73.3 percent), Minnesota (63.2 percent), and Pennsylvania (57.2 percent). Only 10 States had reserve increases amounting to less than 10 percent.

The improvement in the reserve position of practically all States, as shown by the absolute increases in the dollar amount, is also indicated when reserves are taken as a ratio of taxable or of total wages. This ratio varied considerably among the States. On the basis of taxable wages, it ranged from 1.42 percent in Minnesota to 11.17 percent in Washington; on the basis of total wages, the range was from 0.75 percent in Minnesota to 7.0 percent in Puerto Rico. On June 30, 1966, as compared with June 30, 1965, only one State (Nevada) showed a decrease in the ratio of its reserves to both taxable and total wages; an additional State (Arizona) had a slight decrease in reserves expressed as a percentage of taxable wages, which was due to the increase in its tax base to $3,600 beginning in 1965.

Adequacy of Reserves

As a basis of measuring the adequacy of State reserve funds, the current reserve ratio (dollar reserves as a percent of total wages) is taken as a multiple of the highest 12-month cost rate (benefit payments also as a percent of total wages) during the previous decade. This multiple provides a good overall indicator of how adequate the reserves are for meeting future recession costs. It is not, however, a substitute for periodic actuarial cost studies that take into account both past experience and probable future developments.

State reserves on June 30, 1966, representing 3.49 percent of total wages, amounted to 1.70 times the highest cost rate (2.05 percent) during the previous 10-year period, compared with a multiple of 1.51 at the end of the previous year (table 3; charts 1, 2). Only three States had a multiple of less than 1.0 (Minnesota, North Dakota, and Pennsylvania). This was an improvement from the previous year when eight States were in this category, although this multiple is well below the 1.5 figure set as the *minimum* adequate reserve level necessary to finance the costs of a recession as severe as the most serious one of the preceding decade. A multiple of 1.0 to 1.49 was indicated for 14 States on June 30 of both 1965 and 1966. Twenty-five States had a reserve multiple of at least 2.0, compared with 22 States at the end of the previous fiscal period. Although the usefulness of these multiples is confined within certain reasonable limits, these data do clearly indicate that on June 30, 1966, most State reserves were adequate to meet benefit costs of a recession as severe as the worst of the recent postwar recessions.

The Loan Fund

The Federal Unemployment Account, the source for non-interest-bearing advances to State systems with low reserve funds, had a cash balance of $228,301,932 on June 30, 1966, which was $74.5 million higher than the balance at the end of the previous fiscal year. This increase resulted from (1) repayment of $21.7 million in loan indebtedness incurred by three States (Alaska, Michigan, and Pennsylvania), (2) interest earnings of $13.8 million on the total assets of the loan fund, and (3) an excess of $39.0 million in Federal taxes credited at the beginning of this fiscal year but collected above administrative costs during the preceding fiscal year. The addition of $162.6 million in loans still outstanding (accounts receivable) to the cash balance in the loan fund brought the total amount of assets to $390,901,273.

No State has had to borrow from the loan fund since April 1959. The total amount initially advanced to the States was $233,765,000, and total repayments through June 30, 1966, amounted to $71,165,659. Up to June 30, 1966, Alaska, with an initial indebtedness of $8,765,000, had repaid $1,083,957; Michigan had repaid $32,212,702 of its $113 million advance; and Pennsylvania. $37,869,000 of its $112 million advance.

California's Claimant Eligibility Profile

BETTY ANDERSON

THE CALIFORNIA Department of Employment believes that an effective periodic interview should not only provide assistance to the claimant in returning to work as quickly as possible but also serve the basic purpose of discovering any eligibility issue. However, several years ago our periodic interviews were showing only limited success in the uncovering of eligibility issues. Moreover, there was little or no activity in recognizing the claimant's need for specific job market information or additional service from the Employment Service, such as job development, counseling, or retraining. In recognition of these weaknesses, an extensive program was started in late 1964 to improve eligibility interviews by making them meaningful in terms of meeting the needs.

Background

Prior to the agency's separation of UI and ES offices in metropolitan areas, the work application was used for employment information when conducting eligibility interviews. (An eligibility interview is conducted at the time of the benefit rights interview as well as at periodic intervals thereafter.) After the office separations, it was no longer practical to obtain the work applications and the UI interviewers were left without any written employment information. Perhaps this was a blessing in disguise. As mentioned, the agency had been dissatisfied with the eligibility interviews because of their lack of effectiveness and because of the stereotyped manner in which they were conducted. Interviewers, owing to the lack of specific information about the individual claimant, were asking each claimant the same questions about his efforts to seek work and his availability, whether or not the information was pertinent to that claimant.

This situation forced the agency into taking a good look at how to improve the content of the interviews, which would also provide the claimant with more information and services. After considerable discussions with interviewers, supervisors, and managers in local offices, it was determined that information was needed about the claimant's work history and basic availability and there was a further need to provide documented comments that would be pertinent from one interview to the next.

While the work application gave the UI interviewers some information, by its every nature it is slanted for ES purposes. Information was also needed for UI purposes. Therefore, a *Claimant Eligibility Profile* (CEP) was developed which combines work history and availability information, with space for noting any pertinent comments that would aid in the conducting of future eligibility interviews. This document is kept with the claim record.

Purpose

The purpose of the CEP is to provide UI interviewers with a continuous employment and eligibility record about an individual claimant, to assist both in the initial and in the periodic evalua-

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tions of that claimant's eligibility for benefits and his prospects for employment. Information recorded on this form includes the claimant's employment history; the methods he used to find prior jobs; his requirements with respect to such items as wages, transportation, job location, and hours; his possible need for retraining or other services from the Employment Service; and comments affecting his present or future eligibility for benefits.

The CEP has two main functions. First, it provides a framework within which to view the claimant on the basis of his individual skills and abilities, the needs of the job market, any employment restrictions, and his potential for returning to work. This framework forms the base from which the initial interviewer and future interviewers can take intelligent action. It avoids duplications and contradictions from interview to interview. It conserves time by providing the interviewer more opportunity to question in depth and to follow up on clues by seeking specific information instead of probing in general areas. Second, the profile also acts as a device to assist the interviewer in maintaining control of the interview situation.

In the early stages of developing the CEP, it appeared that a real improvement in eligibility interviews would result. But, as with many ideas, testing was needed to determine if actuality would approach theory. Therefore, two local offices were selected for testing the CEP—Oakland, a UI only office, and Culver City, a combined UI–ES office. To determine if improvements did result, the adequacy of the eligibility interviews was measured prior to installing the CEP and again after the form had been in use for 2 months. Comparison of the two measurements showed generally that there was a slight increase in recognition of issues, a substantial increase in advice to the claimant on his work-seeking efforts, and a slight increase in recognition of the need for additional employment services. Of equal importance to the actual improvement in meeting the agency's objectives, however, was the conduct of the interviews themselves. The interviewers were conducting the interview to determine the eligibility and needs of each individual claimant, rather than going through each interview by rote. It was decided it would be worthwhile to use the procedure statewide, and in July 1966 all local offices began using the CEP.

Actual Use

Claimants are issued a CEP at the new claim completion interview and are instructed to complete and return it on the next scheduled visit, during which a combination benefit rights and eligibility interview is conducted. It was found that more complete information is obtained when the claimant has time at home to complete the form than when he tries to complete it in the office. At the initial interview, the information on the CEP is reviewed thoroughly with the claimant. There are only eight availability questions and they all relate directly to the claimant's job requirements: What kind of work do you want? What starting wage will you accept on your next job? Are there any days during the week you cannot work? Between what hours can you work? What shifts can you work? What transportation will you use to travel to and from work? In what localities are you willing to work? How much time are you willing to spend going to a job?

These availability questions were intentionally limited in order to avoid having the written information be a substitute for the oral interview. If all of the possible able and available questions were on the form, the interview would result in a review of each question, item by item, instead of the flexible and individualized interviewing approach that the agency feels is desirable. Also, these are questions that can generally be related to the claimant's work search.

For example, if a claimant living in Pasadena states that he is willing to work in Pasadena, Glendale, or downtown Los Angeles, but he has looked for work only in Pasadena, then the credibility of his statement as to where he is willing to work is questionable. Or, if a claimant who has lived in Pasadena for 15 years, during which time all of his work experience has been in Los Angeles, and now he states that he is willing to work in Pasadena only, then his eligibility is questionable. It should be noted that the interviewers are instructed to question the claimant about his work search first and then relate his answers to the information on the CEP. When the efforts to seek work are explored in sufficient depth, the availability or nonavailability of the claimant emerges without the need to ask many, if any, separate availability questions. Of course, if the credibility of any of his written answers is in doubt, specific followup questioning is necessary.

With the use of the CEP, the interviewers do

not need to cover at each subsequent interview such availability items as hours, wages, transportation, and the restrictions the claimant made as to type of work, because this information is already on the CEP. They need only to review this information and ask solely about any item that might logically have changed or become questionable because of a prior notation, such as "Has transportation to (date)." Thus the interviewer uses his time more productively in going into the work search made by the claimant. The result is an individualized interview. The interviewer can then relate the answers, as to where the claimant is looking and what he is doing to find work, to his previously stated availability requirements and whether or not there has been any change.

One CEP question is, "How do you usually get your jobs?" Space is provided for the claimant to show his last three jobs and how he obtained each of them. This information, related to what the claimant is now doing to find work, gives a wealth of information, not only about that particular claimant but also about specific hiring practices for various occupations and industries. The value of this is twofold. First, if the claimant is not doing what has proved successful for others in his occupation or industry in order to find work, he is redirected in his efforts. It might be that he had worked steadily for a number of years and needs information on the best way to go about finding work. Or he could be a young person who has had only one job, obtained through a member of his family; therefore he needs information on the most successful ways to look for work. Second, if the claimant is not following the method of looking for work that has proved successful for him in the past, it could be a clue to an eligibility issue.

Assistance to Claimant

Having specific written information regarding the claimant's work history and usual methods of finding work puts the interviewers in a much better position to assist the claimant, not only in directing a more productive work search, but also in recognizing the need for additional employment services. California has a State retraining program as well as the Federal MDTA training program. Thus the agency is able to refer individual claimants to training classes even when they are not referable to MDTA classes. The interviewers are instructed to judge each claimant individually regarding any retraining need, and if a need is recognized to determine the claimant's interest in retraining and refer him to the training specialist in the Employment Service section or office. This has been agency policy for several years but, prior to the CEP, retraining needs frequently were unrecognized. Now, with the specific written information available, interviewers are able to identify early in a claimant's period of unemployment a possible retraining need, and later in the claim series to indicate again the desirability of retraining to those qualified claimants who were not originally interested in retraining but who have been unable to find employment.

An example of the type of clues an interviewer watches for is illustrated in the following case: The claimant, a machine operator, had 2 years of military service and did this work during some of his time on active duty. Since leaving the service, he worked for three of four different employers but after a short time on each of these jobs was discharged because of low skill level or because he didn't meet the requirements of the job. A training course to upgrade his skill might result in his retaining his next job.

Other examples indicating need for retraining would be a clerk-typist who shows an interest in learning stenography, a claimant who has been able to secure only intermittent employment because of the lack of a specific skill, or a claimant who has become unemployed because his job was eliminated by automation.

The CEP also aids the interviewer in recognizing the necessity for an additional occupational code or recoding. Because the profile provides for a summary of the claimant's entire work history, in addition to the specifics of his last three jobs, an additional skill or occupation frequently shows up. It might be that the last three jobs were merely stopgap employment and the claimant has a higher skill than that shown by his occupational code.

Counseling is another available employment service, and the CEP assists the UI interviewer to spot the need for it. A lack of preference for the type of work performed, skipping around from job to job, or an unrealistic job choice are a few of the clues that indicate the desirability of counseling.

Claimants who could benefit from job development attempts, or who are in either demand or moving occupations, are some of the others whose

special needs the CEP helps the UI interviewer recognize and refer to the Employment Service.

None of these activities are new or have necessarily been initiated with the advent of the CEP. For many years UI interviewers have been expected to recognize the needs of claimants and refer them to the Employment Service as a part of the eligibility interview. The real difference now is that the CEP gives the interviewer a tool that provides pertinent information to assist him in recognizing any one of the services the claimant needs.

Advantages

As already noted, the CEP is a tool for the guidance of the interviewer. The aim is to increase the interviewer's ability to identify claims and employment information that require further action by a determination interviewer, placement interviewer, counselor, or others. The real success of the CEP is the relating of specific written information to the answers given by the claimant in the oral interview. The CEP also serves as an interviewer's self-training tool, since it systematically exposes specific local job market information; and thereby the interviewer is able to increase his knowledge about jobs, hiring practices, and other job-related factors from a composite of the information he obtains from the claimants.

The CEP has also proved its value in obtaining increased cooperation from the claimant. Previously, without documented information, the claimant was asked questions about wages, hours, transportation, and so forth, at each interview. This caused him to feel, and rightly so, that his time was being wasted by being asked to repeat information he had given only a a few weeks previously. He now feels he is getting individualized attention from an interviewer who is interested in his job problems, and therefore he gives information much more freely.

The California agency believes that as the UI interviewers become increasingly familiar with the information on the CEP and how to use it, the benefits gained will continue to increase. The CEP is not looked upon as the cure-all for every problem encountered in the eligibility interviews. We are confident, however, that this is the most effective tool we have developed up to this time and that further improvements can and will be built around the CEP document.

Unemployment Insurance Decisions*

No Matter How It Was Sliced

Alabama.—The claimant, a cafeteria worker, told the food checker that he wanted to buy a slice of pie which cost 22 cents. He paid for the slice of pie but then took a whole pie worth $1.28 home with him. The manager learned of the transaction and discharged him for taking food without paying for it. The claimant admitted at the referee's hearing that he knew he was not entitled to a whole pie for 22 cents. The referee denied benefits, holding that the claimant was discharged for a dishonest act committed in connection with his work. (Decision No. 3520–AT–66, July 27, 1966.)

Health Hazard

Pennsylvania.—A year previously, the claimant had worked at a carwash place for 3 hours, and had left because he had chronic bronchial asthma and had been

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told that working in water or wet places would have an adverse effect on his health. The claimant received a letter from his employer requesting that he report for work as soon as possible to perform the same duties as before. He did not report. The Board of Review, in holding that the claimant had good cause for refusing the job offer, said: ". . . the claimant suffers from chronic bronchial asthma and had been advised by a physician not to work in water or wet places. The job the claimant was being recalled to did entail working in water and it was for this reason that the claimant refused to report to the employer as requested. . . ." (Appeal No. B–66–1–L–313, Sept. 28, 1966.)

A Haircut Or Else

New York.—A service man for an office-furniture business was instructed by the vice president of the company to get a haircut. He did so the same day, but the next day the vice president expressed dissatisfaction with the haircut and told the worker to have his hair cut shorter. When he refused, he was terminated. The referee said, "Since claimant was required to come into contact with the employer's customers, the employer's desire that claimant present a good appearance is certainly understandable. However, the proof before me is insufficient to establish that the manner in which claimant cut his hair exceeded the bounds of business propriety. Accordingly, I find that the direction of the employer that he take a further haircut as a condition of retaining his employment was unreasonable." The claimant was not disqualified from receiving benefits. (No. UCX–154–66, Aug. 9, 1966.)

Paying Guests Preferred

Pennsylvania.—A waitress, employed at a resort hotel in a remote area, left her job when she had to vacate the room she occupied because it was being prepared for guests, and no other provision had been made for her. She resided more than 50 miles away, too great a distance to commute daily. The referee granted benefits, finding: ". . . since no housing accommodations were available for the claimant and she could not drive the distance of 50 miles from her home to the job, her leaving was compelling and necessitous. . . ." (Appeal No. 66–3–D–37, affirmed by Board of Review No. B–66–3–D–37, Sept. 26, 1966.)

Employer Must Light The Way

Vermont.—A parking lot attendant asked his employer for new batteries for his flashlight, and they were promised but not provided. The light from the claimant's flashlight was dim and on two occasions he was nearly struck by automobiles entering or leaving the lot. About 10 days later the claimant again asked for batteries for his flashlight, and was told that the employer did not have any. He thereupon left his employment. The referee held that the claimant left voluntarily with good cause attributable to the employing unit when, after reasonable notice, it had failed to provide the claimant with the equipment necessary to his safety in the performance of his duties. (No. 4632, Apr. 11, 1966.)

Trends in the Economy*

Third Quarter 1966

THE NATION'S ECONOMY continued to show strength in the third quarter of 1966, although on a month-by-month basis some mixed movements were noted. Most of the major economic indicators reached new highs at some time during the quarter, including gross national product, industrial production, new orders for durable goods, retail sales, and personal income. On the other hand, the construction industry remained weak, with little signs of an upturn as both housing starts and permits at quarter's end were at low levels. Wholesale prices continued their upward movement but at a slower pace. Employment, led by the expanding number of workers on manufacturing payrolls, set a record. The unemployment rate, unchanged from the second quarter, showed substantial improvement over the third quarter of 1965.

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Business Activities

Gross national product rose to a seasonally adjusted annual rate of $746 billion in the third quarter, which was $13.7 billion higher than the second quarter. There had been an increase of $11.1 billion between the second and first quarters, and a $16.8 billion increase in the first quarter. Most of the gain over the third quarter was in real product rather than price hikes. Physical output rose by 1 percent, compared with the 0.6-percent rise in the second quarter. As a result, price

increases accounted for 0.7 percent of the recent advance, compared with 0.9 percent in the second quarter.

All types of *consumer spending* increased, and the rise of $9.9 billion (annual rate) to $470 billion was about double the increase in the second quarter. Durable goods expenditures rose to $70.3 billion (up by $3.2 billion from the second quarter) and were back to the peak rate registered in the first quarter of the year. Increases in the purchase of autos and other durable goods contributed about equally to this rise. Consumer nondurables rose by $2.7 billion to a seasonally adjusted rate of $208.3 billion, and consumer services at $191.5 billion were up by $4 billion.

Government spending, mainly under the pressure of the Vietnam situation, rose by $6.3 billion to a rate of $155.3 billion. Federal expenditures for national defense were up from $57.1 billion in the second quarter to $61.3 billion; a year ago, such outlays totaled $50.7 billion. State and local spending advanced by $2 billion.

The reduced activity in home construction contributed to the decline in *gross private domestic investment*. The seasonally adjusted annual rate fell by $2.5 billion to $116 billion. The rate of expenditures on residential structures slumped to $25.2 billion, some $2.8 billion less than in the second quarter and $2.6 billion under the year-earlier figure. On the other hand, spending for nonresidential structures was up by $1.8 billion. Purchases of producers' durable equipment moved up by $2.4 billion, while the rate of inventory investment fell by $1.5 billion. Net exports of goods and services remained unchanged at $4.7 billion.

Industrial production eased in September, marking the first reduction in a year. The September index, at a seasonally adjusted 158.2 percent of the base period (1957–59=100), was 0.1 point below the record figure of the previous month. (Between July and August the index showed a 1.1-point gain.) The September decline occurred largely in nondurable goods manufacturing, where the output measure dropped to 150.8 percent from 152.0 percent in August. Within the soft goods sector, production of textiles, paper, and chemicals all showed small reductions.

During September, durable goods output again expanded, rising to 168.1 percent for a gain of almost a full point. Machinery production continued its recent series of rises, as both the electrical and nonelectrical machinery sectors showed gains. The motor vehicle index rose sharply, after 2 months of decline, as the model change period ended. In the metals component, however, both the primary and fabricated metals indexes eased in September. Steel production thus far this year (through Oct. 1) has not equaled last year's level; it is still 2 percent less.

In the third quarter of 1966, industrial production averaged 157.9 percent of the base period, almost 3 points higher than the previous quarter and about 14 points higher than the third quarter of 1965. All major sectors had both over-the-quarter and over-the-year gains. The largest increases took place in manufacturing; both the durable and nondurable sectors showed increases. In the durables group, the machinery and aircraft industries led the rise from the year-earlier quarter, by about 30 and 50 points, respectively. The only significant area of manufacturing that failed to show an over-the-year gain was the auto industry in which the index was some 10 points lower than last year. Output of nondurable factory goods rose about 2 points over the quarter and was up by 10 points from a year ago. Mining output and utilities production also registered over-the-year gains.

New factory orders for durable goods rose sharply in September following 2 months of decline. The volume of new orders increased to $25.2 billion (seasonally adjusted), about 7 percent higher than the August total of $23.5 billion and 1 percent over the record of $24.9 billion set in March of this year. Virtually all of the increase took place in the defense sector (which includes aerospace, ordnance, and communications equipment). The order volume in this segment rose by $1.5 billion to $4.6 billion. Most other changes were small. Primary metals orders rose by $100 million to $3.9 billion; machinery orders slipped by $100 million to $7.2 billion; and equipment orders rose by $100 million to $4.9 billion, following a drop of $300 million in August.

Factory shipments of durable goods in September at $22.9 billion remained close to recent levels—only about 0.1 percent above the previous month's total. The record shipment figure of $23.2 billion was also set in March of this year.

Since new orders increased while shipments declined the *backlog of durable goods orders* rose by $2.3 billion to $75.6 billion. Additional defense orders accounted for $1.1 billion of the rise, and the machinery equipment sector for the remainder.

Higher wages and salaries, combined with sharp advances in transfer payments and higher interest payments, raised *personal income* to an alltime high in September. At a seasonally adjusted annual rate of $589.5 billion, personal income was some $4.1 billion over the August figure. Transfer payments (including medicare payments) and higher regular social security benefits rose $900 million, following a $1.6 billion rise in August (the first month of medicare payments). Personal interest income grew by $600 million to $43.7 billion, while farm income held steady at a $20.1 billion annual rate. Dividend and rent income was also slightly higher. Wages and salaries, the largest component of the personal income sector, rose to an annual rate of $399.1 billion or $2.1 billion over the August rate. The factory payroll rate, however, gained by only $500 million, well below the $1.8 billion advanced in August.

Over the third quarter, personal income ran at a $585 billion annual rate, up by 2 percent from the second quarter. Disposable (or after taxes) income gained by 1.5 percent to a $507.3 billion annual rate. Because the latter increased more than the rate of increase for prices, "real" personal income in the period increased by 0.75 percent, in contrast to a minor decline in the second quarter.

Retail sales in September, at $25.6 billion seasonally adjusted, were off by 0.4 percent from the August peak volume of $25.7 billion, but they were 8 percent higher than a year earlier. Both durable and nondurable goods sales eased during the month. Durables slipped to a seasonally adjusted volume of $8.3 billion, or some $21 million below the previous month; nondurables at $17.2 billion were $82 million less. Sales in the durables area decreased mainly because of fewer purchases of furniture, appliances, and autos. Auto sales in September totaled 502,300 units—down by some 100,000 from August but surpassing the September 1965 figure by 1 percent. Within the soft goods sector, the decline was widespread; the most significant drops took place in the general merchandise and apparel stores, and in eating and drinking places.

Sales of the 1966 model autos set a record; some 8.5 million units were retailed during the 12-month period ending September 1966. This volume marked the fifth consecutive good year. The comparable sales figures were 8.3 million for 1965 and 7.8 million for 1964. In the same 12-month period, sales of imported cars totaled 640,000 (estimated), up from 538,000 in 1965, and surpassed the previous high of 570,000 in the 1959 model year.

Although sales of domestic autos during the 1966 model year were greater than those of the previous year, in only the first quarter (October–December 1965) was the volume above that of the year-earlier period. In that quarter the pace soared to an annual rate of 9 million units (seasonally adjusted) which was well above the strike-affected first quarter of the 1965 model year. Sales remained at the 9 million mark in January–March 1966, dropped in the April–June quarter to 8 million, but then recovered in the final quarter of the model year to an 8.4 million unit rate.

The following table shows the relationship between the auto product and the gross national product in current dollars in recent years.

Calendar year	*Auto product* (*Billions of dollars*)	*GNP*	*Auto production as percent of GNP*
1960	21.4	503.8	4.2
1961	17.9	520.1	3.4
1962	22.5	560.3	4.0
1963	25.1	590.5	4.3
1964	25.8	631.7	4.1
1965	31.4	681.2	4.6
1966 [1]	31.5	721.2	4.4
1966 [2]	28.6	732.3	3.9

[1] First quarter, seasonally adjusted annual rate.
[2] Second quarter, seasonally adjusted annual rate.

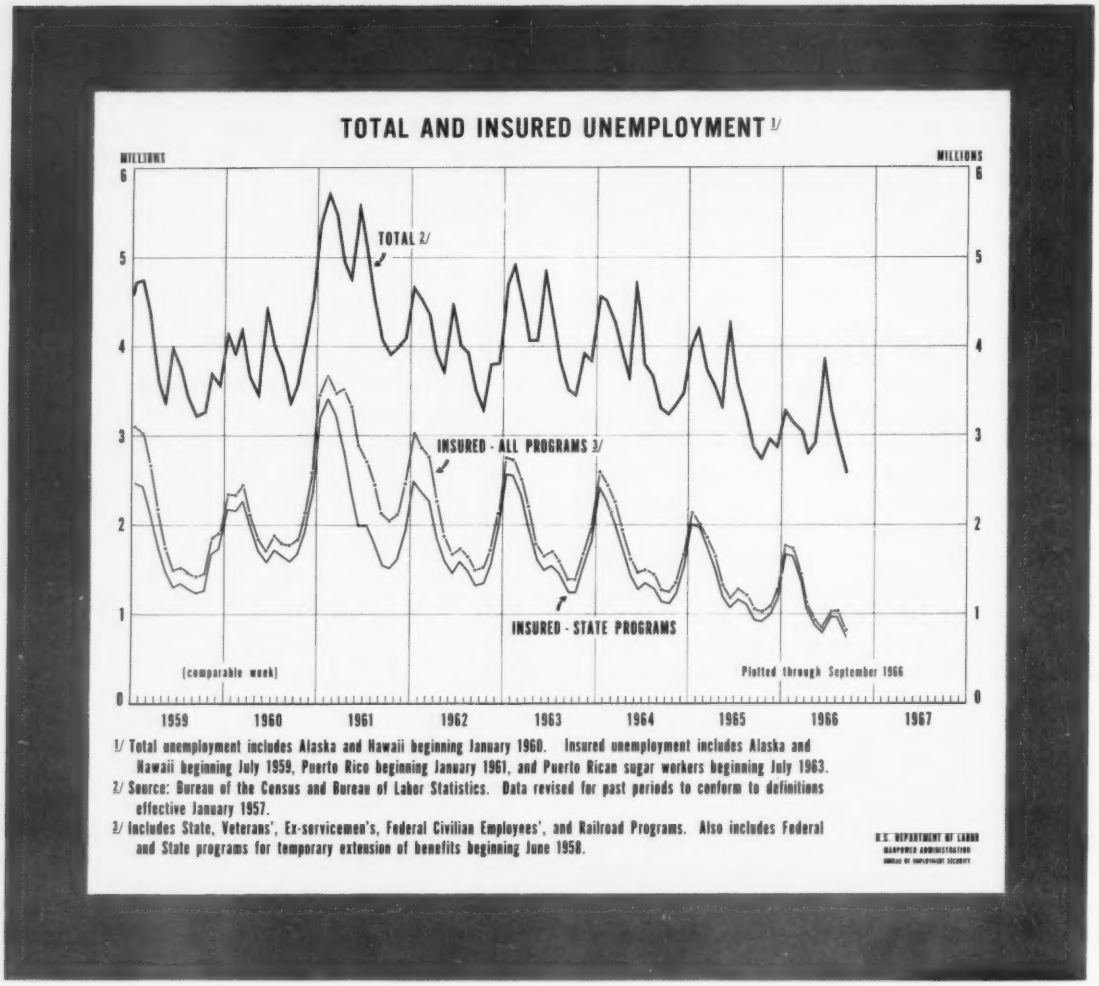
Source: U.S. Department of Commerce, Office of Business Economics.

The value of new *spending for construction* in September slowed to an annual rate of $72.5 billion (seasonally adjusted) from $73.1 billion in the previous month. The current level is the lowest for the series since August 1965, when spending was at a rate of $70.9 billion.

At current prices, private construction during September was down 3 percent from the month before, while public construction was off 5 percent. After allowing for price changes, total new construction was about 5 percent lower than a year earlier. Residential building was off 12 percent.

Housing starts, already one of the weakest spots in the economy, showed further deterioration in September, dropping to the lowest level in 6 years. New housing starts, at an adjusted annual rate of 1,073,000 units were 2.6 percent fewer than in August and at the lowest level since December 1960.

The September decline in housing starts occurred largely in the West and North East


TOTAL AND INSURED UNEMPLOYMENT 1/
MILLIONS
MILLIONS
6
5
4
3
2
1
0
TOTAL 2/
INSURED - ALL PROGRAMS 3/
INSURED - STATE PROGRAMS
(comparable week)
Plotted through September 1966
1959
1960
1961
1962
1963
1964
1965
1966
1967
1/ Total unemployment includes Alaska and Hawaii beginning January 1960. Insured unemployment includes Alaska and Hawaii beginning July 1959, Puerto Rico beginning January 1961, and Puerto Rican sugar workers beginning July 1963.
2/ Source: Bureau of the Census and Bureau of Labor Statistics. Data revised for past periods to conform to definitions effective January 1957.
3/ Includes State, Veterans', Ex-servicemen's, Federal Civilian Employees', and Railroad Programs. Also includes Federal and State programs for temporary extension of benefits beginning June 1958.
U.S. DEPARTMENT OF LABOR
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regions. Starts in the South rebounded during the month, following a 12-percent drop in August. Minor improvement was also noted in the North Central area. In all areas, however, the level of activity this September was far below that of September 1965.

After rising since March, *wholesale prices* held steady in September. The index of wholesale prices was 106.8 percent of the 1957–59 base, well above the 103-percent figure of a year ago. During the month, farm prices rose slightly, but the effect of these increases was offset by a decline in the industrial area for the first time since June 1964.

For the third quarter as a whole, the index of wholesale prices, at 106.7 percent, averaged 0.9 percent above the second quarter, with farm prices up by 1.9 percent and industrial commodities by 0.6 percent.

Employment

Total civilian employment (seasonally adjusted) averaged 74.2 million in the third quarter of 1966, up by about 500,000 from the previous quarter and establishing an alltime high. Compared with the year-earlier period, employment was 1.8 million higher. There were increases of 200,000 for adult men; 900,000 for adult women; and 700,000 for teenagers. Employment gains outpaced labor force growth for all of these major groups; among adult men the civilian labor force actually showed an over-the-year drop.

The number of employees on *nonfarm payrolls* also rose to record highs during the third quarter. The average for the quarter at 64.1 million (seasonally adjusted) was up by about 500,000 from the second quarter; and it was some 3.5 million above the third quarter of 1965. Gains, both over the quarter and over the year, occurred in all major industry groups, with manufacturing leading. Factory payrolls averaged better than 19 million in each month of the third quarter; the average at 19.2 million was about 200,000 higher than the second quarter and some 1.1 million above the third quarter last year. The advance in factory employment was especially marked in the machinery and transportation equipment industries.

Among the nonmanufacturing groups, the largest over-the-year rise was in government, where payroll employment grew by about 750,000 to an average of 10.9 million (mostly in State and local governments). Both trade and services showed rises of about half a million.

Unemployment

Total unemployment at 3.0 million (seasonally adjusted) in the third quarter was virtually unchanged. The rate of joblessness averaged 3.9 percent also, unchanged but well below the 4.5 percent rate of the year-earlier period.

Compared with a year ago, unemployment was 375,000 lower, with all major labor force groups sharing in the improvement. Joblessness in the third quarter dropped by 270,000 among adult men to a total of 1.1 million, while among adult women there was a decline of 100,000 to a volume of 930,000. Unemployment among teenagers at 944,000 was some 4,000 lower than a year ago. The corresponding rates of joblessness also showed over-the-year improvement, as employment gains surpassed labor force growth. Among adult men the rate dropped from 3.1 to 2.5 percent; among adult women, from 4.3 to 3.8 percent; and among teenagers, from 13.2 to 12.0 percent.

Long-term unemployment (15 weeks or longer) averaged 462,000 during the third quarter, or 75,000 less than the second quarter, and about 250,000 lower than last year. The jobless rate for the current quarter at 0.6 percent was the lowest level since late 1953.

State *insured unemployment* averaged 877,000 per week during the third quarter. This was the smallest volume for any quarter in 13 years. The rate of insured joblessness dropped from 2.0 percent in the second quarter to 1.9 percent, the lowest quarterly rate since World War II.

A total of $387.3 million in benefit payments was paid out to the insured jobless during the third quarter, nearly 10 percent less than the prior quarter and 18 percent below the third quarter in 1965. The current total is the lowest for any quarter in 9 years.

Insured Unemployment*

Third Quarter 1966

AN UPSWING in activity at automobile plants following the model change period was largely responsible for reducing insured unemployment under State programs to a weekly average of 755,100 in September. This was nearly 19 percent, or 173,400 below August; and it was the lowest volume for any month in nearly 14 years. The over-the-month decline (more than seasonal) resulted in a drop to slightly below 1 million (seasonally adjusted), compared with 1.1 million in August and 1.3 million a year earlier.

The September decline brought the quarterly average to 877,000 per week, about 2 percent lower than the second quarter and 19 percent less than in the comparable period in 1965. This 1966 third quarter average was the smallest for any since the July–September period of 1953.

* *Prepared in the Office of Program Reports and Research, Administration and Management Service, Bureau of Employment Security.*

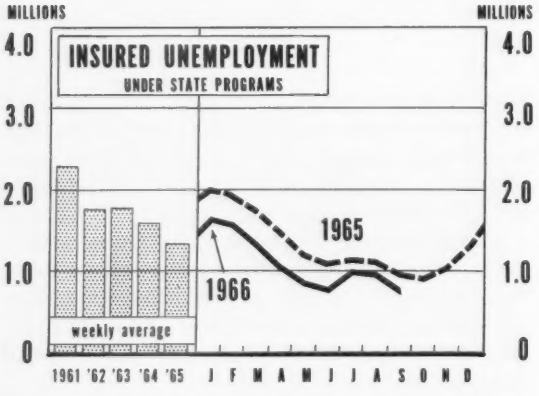
Week ended—	Initial claims [1]		Insured unemployment [1]	
	1966	1965	1966	1965
August 6	277,300	244,900	1,020,200	1,120,600
August 13	178,800	219,100	978,300	1,133,100
August 20	157,500	210,600	926,300	1,128,600
August 27	143,700	198,100	866,900	1,118,700
September 3	145,400	181,500	800,300	1,065,500
September 10	135,200	162,800	772,500	1,047,100
September 17	154,900	176,700	755,700	961,700
September 24	144,000	171,500	743,100	930,300
October 1	144,400	177,200	723,200	922,100
Weekly averages				
August	172,700	214,800	928,400	1,119,800
September	144,700	173,100	755,100	980,900

[1] Refers to State programs.

Insured unemployment under both Federal programs (UCFE and UCX) decreased sharply between August and September. The number of jobless Federal employees declined by 9 percent to a weekly average of 15,900, the lowest number for any month in 9 years. Unemployment among ex-servicemen, at a weekly average of 14,800 in September, was 22 percent under the August volume and the lowest figure for any month since the start of the program in 1958.

The national rate of insured unemployment (not seasonally adjusted) moved down from 2.0 percent in August to 1.6 percent in September, the lowest rate for any month since World War II. The average rate for the third quarter was 1.9 percent, compared with 2.0 percent in the prior quarter and 2.4 percent a year earlier.

As in August, Puerto Rico reported the highest insured unemployment rate—6.3 percent. Nevada had the second highest (3.5 percent); and in only seven additional States were rates above 2.0 percent—Alaska, California, Hawaii, Massachusetts, New Jersey, New York, and Washington. In contrast, rates of less than 1.0 percent were reported by 15 States and the District of Columbia, with Iowa and Virginia showing the lowest (0.4 percent in each).



Fewer Jobless in Most States

Between August and September, increases in insured unemployment occurred only in Puerto Rico, Alaska, Hawaii, and Nevada. Puerto Rico's rise of 8,900 mainly reflected the slack season for sugarcane workers; the increases in the three States were small, less than 400 in each.

Among the States reporting lower volumes, the leading automobile industry States registered the largest decline, reflecting accelerated production. In September some 646,800 units were produced, compared with 147,000 in the preceding month. Michigan, which accounts for well over two-fifths of all covered workers in that industry, showed the largest reduction (57,900), followed by New York and California with declines of 13,400 and 12,000, respectively. Four additional auto industry States had decreases ranging between 8,000 and 10,000: Ohio (9,700), Missouri (9,600), New Jersey (9,000), and Wisconsin (8,600). No other State showed an over-the-month drop of more than 7,000.

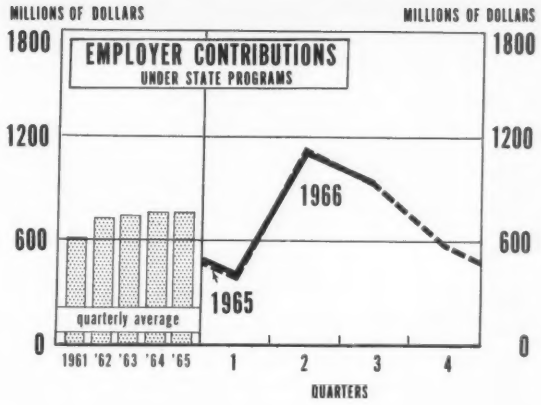
In each of the foregoing States, the lower jobless volumes not only reflected the greater activity at automobile plants but also a return to full operation in the transportation and public utilities

sector following termination of the airline strike in mid-August. Moreover, in several of these States additional strong downward influences were operative. New York posted an upswing in trade and services activity, California reported a pickup at food processing plants and electrical equipment establishments, and in Ohio less unemployment occurred among workers from both the primary and fabricated metals industries.

Compared with September 1965, insured joblessness was lower in all but four States—Hawaii, Idaho, North Dakota, and Oregon; however, the increases in these States were nominal. The largest reductions occurred in California (36,200), New York (23,900), Pennsylvania (15,100), and Illinois (12,500). Nonmanufacturing industries, most notably trade and services, accounted for the bulk of the decline in both California and New York. In both Pennsylvania and Illinois, less joblessness among factory workers was a large factor in the declines. In Pennsylvania, the largest reductions were among primary metals, fabricated metals, and textile workers; and in Illinois, among workers from the machinery and food processing industries.

Fewer Initial Claims

Initial claims under State programs declined substantially more than expected for this time of year, dropping by 28,000, or 16 percent, to a September average of 145,000 per month; a year earlier the average was 173,000. For the third quarter of this year new unemployment, at a weekly average of 188,000, was 29,300 above the April–June figure. Claims usually rise in the third quarter because of filings by workers who are idled by plant shutdowns for vacation periods and by slowdowns in



the auto industry during the model change period. However, the average for the third quarter this year was 25,600 below the number a year earlier, and it was the lowest figure for any July–September period in 16 years.

Under the UCX program, initial claims by ex-servicemen averaged 2,800 per week in September, compared with 3,500 in August. Under the UCFE program, unemployed Federal workers filed 1,600 claims, about 156 less than the average in the preceding month.

Decline in Benefits

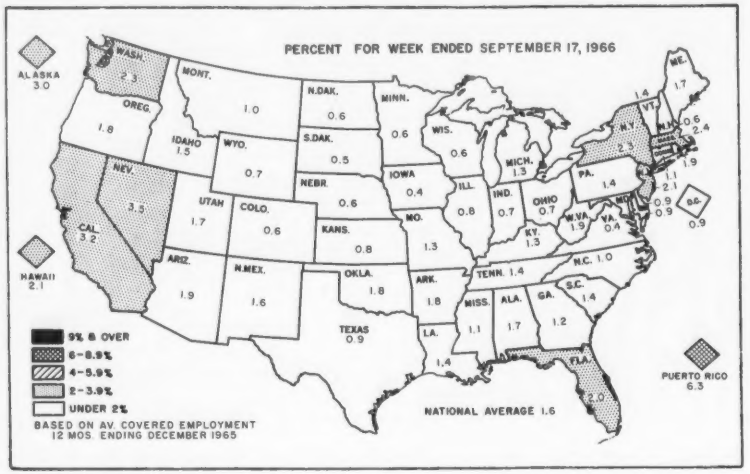
The amount of benefits paid under all regular unemployment insurance programs dropped in September by $37.7 million, or 25 percent, to $114.3 million; a year earlier, benefits totaled $150.3 million. Under State programs, benefit payments declined sharply over the month, dropping from $143.1 million to $106.5 million. This reduction reflected, in large part, heavy recalls in the auto industry following the model change period. In

Activity [1]	*Number or amount September 1966*	*Percent change from— August 1966*	*Percent change from— September 1965*	*January–September cumulative (in thousands) 1966*	*January–September cumulative (in thousands) 1965*
Initial claims [2]	625,500	−24.2	−17.7	7,671	8,966
Weeks claimed [2]	3,368,400	−24.6	−25.4	43,341	55,229
Insured unemployment (weekly average) [2]	755,100	−18.7	−23.0	1,111	1,416
Beneficiaries (weekly average)	640,300	−19.1	−23.2	952	1,221
Benefits paid [3]	$106,548,100	−25.5	−23.1	$1,405,848	$1,745,131
Claimant exhaustions	49,900	−13.0	−31.6	622	877

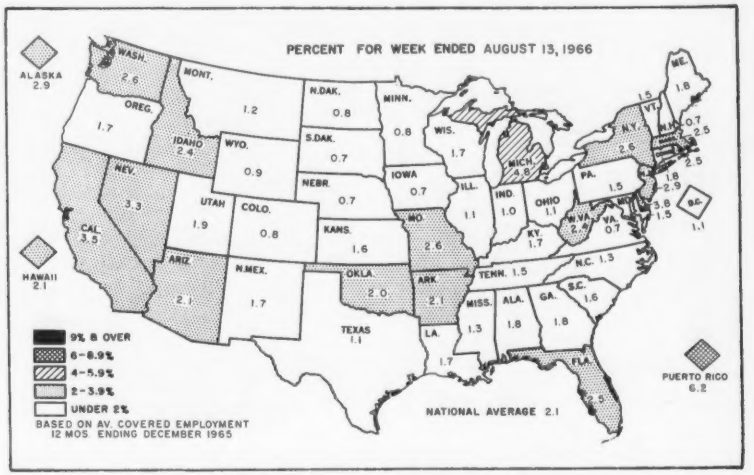
[1] Data relate to State programs only.
[2] Includes agent State claims taken by the Virgin Islands; also includes data under Puerto Rico sugarcane program.
[3] Monthly data represent gross amount; cumulative data represent net amounts.

STATE INSURED UNEMPLOYMENT AS PERCENT OF AVERAGE COVERED EMPLOYMENT

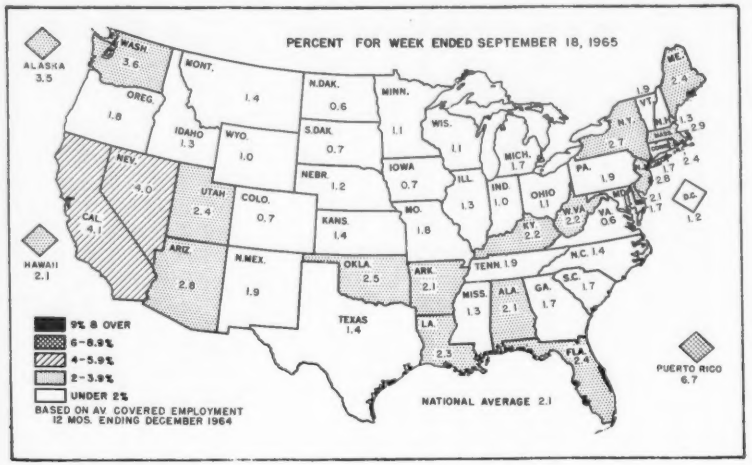
LATEST MONTH



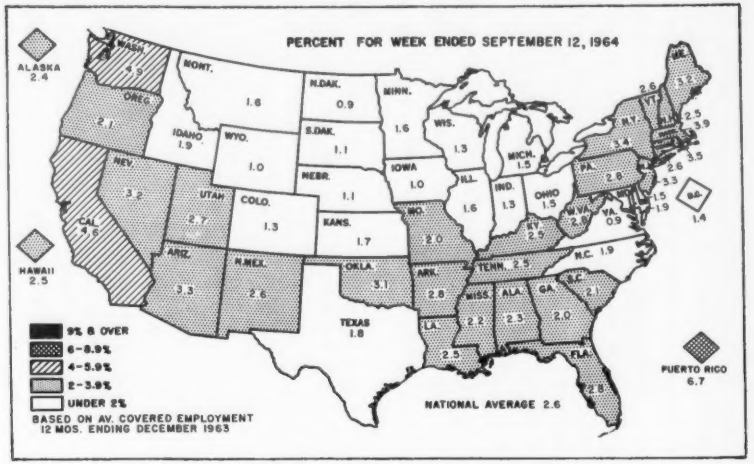
PREVIOUS MONTH



ONE YEAR AGO



TWO YEARS AGO



September, some $2.4 million in benefits was paid out under the railroad program, and an aggregate of $5.3 million was disbursed under the two Federal programs.

For the entire third quarter, benefit payments disbursed under all regular unemployment insurance programs came to $387.3 million, nearly 10 percent below the amount in the second quarter and 18 percent under the year-earlier figure. Payments this third quarter were at a 9-year low.

The average weekly benefit check for total unemployment under State programs declined by 97 cents between August and September, to $39.68. A year ago the average check was $37.23. The highest average weekly benefit was disbursed in California, $49.45. Other States with average weekly payments of more than $45 were Hawaii, Michigan, and Wisconsin. The lowest checks (under $26) were paid in Mississippi, Puerto Rico, and West Virginia.

Nearly 11 percent of all benefit checks issued in September were for partial unemployment. The average amount of the partial benefit check was $22.50, compared with $24.03 in August and $23.19 a year earlier. Because of the varied industrial attachment of workers and the varying provisions among State laws, the proportion of partially unemployed claimants differs widely from State to State. States with the highest proportion of claimants receiving partial benefits in September were New Hampshire (31.5 percent) and South Dakota (26.3 percent), while those with the lowest proportion were Puerto Rico (2.1 percent) and Alaska (3.6 percent).

Exhaustions at 14-Year Low

The number of persons exhausting their benefit rights under State programs declined by 13 percent in September to 49,900—the lowest figure for any month since November 1952. A year earlier the total was 72,900. During the first 9 months of 1966, some 622,000 persons exhausted their benefit rights, compared with 877,000 in the comparable period a year ago.

The number of exhaustees this September represented about 6.6 percent of the claimants who stopped filing for State insured unemployment benefits. The remainder who stopped filing during the month had presumably found employment or had left the labor force.

NOTE.—A separate monthly report, *Unemployment Insurance Statistics*, provides more detailed data on unemployment insurance activities. Copies of *Unemployment Insurance Statistics* are available upon request to Unemployment Insurance Service, Bureau of Employment Security, U.S. Department of Labor, Washington, D.C., 20210.

SELECTED UNEMPLOYMENT INSURANCE STATISTICS, STATE PROGRAMS

SEPTEMBER 1966

State	Initial claims received 1/ 2/	Weeks claimed 2/	Number of insured unemployed (weekly average) 3/	Number of beneficiaries (weekly average) 3/	Average weekly payments for total unemployment	Number of final payments 4/	Benefits paid 5/	12 months ending Sept. 1966 (in thousands) Benefits paid 6/	12 months ending Sept. 1966 (in thousands) Collections and interest	Funds available September 1966 7/ (in thousands)
Total	8/625500	8/3368390	8/755064	640318	$39.68	49.918	$106548085	$1826720	$3348337	$9,647,089
Alabama	7,274	43702	10269	8571	30.44	980	1125190	17138	31074	103062
Alaska	1125	4573	1219	1078	39.13	103	183636	6593	10506	10/ 18093
Arizona	5788	22635	5368	4217	36.72	388	670562	10563	17333	71559
Arkansas	3946	26597	6170	4755	29.78	393	604703	9894	17680	38875
California	119277	625903	142216	126497	49.45	8656	26777318	2/ 224922	557583	803672
Colorado	2794	10629	2412	1848	44.28	225	347338	9107	18124	69745
Connecticut	7386	42578	9244	8074	40.71	813	1407769	26798	64983	239475
Delaware	1302	8123	1647	2215	44.35	110	397244	5561	7692	25433
Dist. of Col.	1642	12983	2839	2916	41.75	183	531037	7627	11123	68016
Florida	11002	97229	21929	18960	27.73	2838	2282502	17600	41784	201269
Georgia	7249	50260	11219	8790	32.73	1154	1182833	13432	42326	220407
Hawaii	2577	17216	4149	3432	46.48	208	659313	7031	11796	27131
Idaho	1605	9241	2075	1871	37.11	72	287248	5667	10471	35500
Illinois	16957	93147	22273	20572	40.60	2113	3535299	74442	111279	571867
Indiana	9590	38444	8490	7815	34.53	912	1168272	21776	58577	217177
Iowa	1357	8869	1900	1598	37.04	164	243374	7554	13846	122436
Kansas	2544	13744	3056	2882	38.26	256	470618	10101	19134	73017
Kentucky	5038	30527	6932	5506	34.42	572	780059	15609	29893	134496
Louisiana	5843	39151	9058	8455	33.44	874	1189287	19860	40766	145399
Maine	2770	15001	3600	2900	32.74	244	379685	6073	11208	39100
Maryland	6861	37401	7623	6839	39.15	332	1032143	23753	55105	204605
Massachusetts	30790	166729	37572	35418	40.74	2711	5482267	68490	148533	279237
Michigan	20074	168584	26473	31767	44.72	1473	6603559	75172	196080	10/ 613299
Minnesota	3714	21660	4385	4616	39.02	371	466291	20104	37814	43018
Mississippi	3027	15321	3546	2778	25.04	254	297670	6171	18119	71440
Missouri	17495	70741	15003	12675	37.42	746	1834297	29262	54123	260839
Montana	1080	4795	1173	967	30.30	117	130976	5169	6389	20679
Nebraska	1137	7316	1565	1656	33.93	184	240487	6375	9227	44431
Nevada	3896	18988	4436	4019	43.25	314	750014	10947	11283	29824
New Hampshire	1341	3727	931	600	37.61	9	82904	2086	8448	35691
New Jersey	29403	166875	37017	36316	40.33	3154	6159569	107868	156763	361962
New Mexico	2890	12002	2802	2168	30.89	119	286565	6239	8203	37334
New York	124513	518698	118484	110228	41.94	6409	19028522	328876	492766	1443043
North Carolina	8656	45552	10541	9457	28.89	710	1139949	21407	54483	269345
North Dakota	323	1899	460	337	37.29	21	54358	5579	5689	7036
Ohio	16285	74172	16400	13806	37.47	930	2225979	57590	200756	489494
Oklahoma	4574	33863	7693	6159	26.86	536	713423	10947	17615	55098
Oregon	9194	38119	8315	6792	37.22	384	1084812	19471	36484	111929
Pennsylvania	43740	190997	43069	36978	33.11	1886	4810452	93938	117791	10/ 580942
Puerto Rico	8/19079	8/202989	8/52436	11778	17.64	1940	931565	2/ 15626	23374	63713
Rhode Island	4856	23469	5150	4602	38.33	414	727940	11997	22240	63256
South Carolina	6649	32395	7406	5666	30.99	675	753011	9608	25232	110634
South Dakota	226	1734	417	411	29.40	46	46406	1922	2750	15714
Tennessee	6389	45842	10471	7979	29.25	822	986526	18695	50024	135298
Texas	13127	79016	18017	14569	30.08	1925	1877544	32058	65539	284773
Utah	2232	14335	3395	2716	37.43	214	439132	9417	12007	39597
Vermont	1062	5261	1235	960	34.84	51	136529	3272	9298	13612
Virginia	3374	17068	4755	2918	30.95	309	388223	7589	24891	165149
Washington	12227	66248	15000	13036	32.09	2	1820106	34006	70221	251119
West Virginia	4993	30347	6695	4835	25.15	349	515247	10122	18300	70664
Wisconsin	4743	33609	7082	6948	42.38	220	1282600	33329	57211	236746
Wyoming	425	1809	453	371	34.90	33	55732	2288	4402	11836

1/ Excludes transitional claims.
2/ Total includes claims taken as agent State by the Virgin Islands.
3/ Weekly data are adjusted for split weeks in the month on the basis of a 5-day work week.
4/ A final payment is the payment for the last week of compensable unemployment in a benefit year, and indicates the exhaustion of benefit rights by a claimant for that benefit year. Because of the time lapse between the actual week in which the unemployment occurs and the date on which final payment is made the monthly total includes some claimants who exhausted their rights in the preceding month but received their final payment in the reported month, and excludes some claimants who exhausted their rights in the reported month but will not receive their final payments until the succeeding month. Workers who exhaust their rights may be entitled to additional benefits when the following benefit year begins. The number of exhaustions is not indicative of the number who are still unemployed as some will have obtained employment and others may have withdrawn from the labor force.
5/ Unadjusted for voided benefit checks and transfers under interstate combined-wage plan. Includes $21,931 in payments under extended duration provisions of State laws in Puerto Rico.
6/ Adjusted for voided benefit checks and transfers under interstate combined-wage plan.
7/ Includes amount credited to States' accounts in the unemployment trust fund, less withdrawals by the States, under the provisions of the Employment Security Administrative Financing Act of 1954.
8/ Includes data under the program for Puerto Rican sugarcane workers.
9/ Includes payments made under State temporary extended benefit provisions.
10/ Funds available reflect an advance from Federal account in Unemployment Insurance Trust Fund.

Selected Unemployment Insurance Statistics, Federal Programs [1]

September 1966

State	UCFE					UCX				
	Initial claims received 2/	Weeks claimed	Number of beneficiaries (weekly average)	Benefits paid 3/	Average weekly payments for all unemployment 4/	Initial claims received 2/	Weeks claimed	Number of beneficiaries (weekly average)	Benefits paid 3/	Average weekly payments for all unemployment 4/
Total	7,013	69,622	15,115	$2,730,751	$41.06	12,200	67,440	14,379	$2,561,269	$40.48
Alabama	169	1,354	243	34,898	32.68	244	1,541	310	46,860	34.41
Alaska	88	983	269	48,175	40.76	27	168	38	8,284	49.31
Arizona	130	807	218	37,194	38.78	186	983	201	35,580	40.16
Arkansas	65	628	118	15,989	30.87	89	551	101	15,574	34.92
California	1,062	15,227	2,616	617,095	53.57	2,612	15,191	3,292	702,373	48.49
Colorado	68	407	88	17,620	45.65	130	570	118	22,273	43.00
Connecticut	29	359	67	13,260	45.26	96	415	70	12,356	40.38
Delaware	7	85	9	1,650	43.42	25	98	25	4,808	43.71
Dist. of Col.	184	2,953	787	159,188	45.98	64	440	93	17,392	42.42
Florida	154	1,039	125	16,829	30.54	256	1,249	222	31,159	31.89
Georgia	178	1,348	276	42,563	35.82	206	1,283	285	47,366	37.71
Hawaii	64	780	241	49,747	46.93	132	946	226	52,055	52.42
Idaho	21	145	21	3,728	40.52	37	130	29	5,380	42.70
Illinois	229	2,770	585	92,386	35.92	298	1,247	247	41,141	37.85
Indiana	61	589	110	18,034	37.18	105	555	102	16,984	37.74
Iowa	23	181	46	7,787	38.74	50	264	56	10,927	44.42
Kansas	41	328	72	12,726	40.02	72	320	82	15,562	43.11
Kentucky	76	816	187	27,262	33.13	250	1,898	451	77,206	38.93
Louisiana	101	1,219	246	38,557	35.57	153	1,235	263	44,542	38.56
Maine	29	218	46	7,151	35.05	38	170	37	6,323	38.55
Maryland	131	689	118	20,567	39.63	213	715	144	25,124	39.63
Massachusetts	190	4,159	1,143	240,447	47.79	280	1,936	457	94,440	46.96
Michigan	133	1,081	246	42,854	40.12	385	2,719	563	105,644	42.65
Minnesota	32	387	92	12,210	30.22	110	682	148	24,412	37.38
Mississippi	82	487	106	11,795	25.26	56	261	56	7,296	29.65
Missouri	154	989	223	33,891	34.55	222	1,120	267	44,708	38.02
Montana	22	219	41	5,485	30.64	25	93	22	3,127	32.92
Nebraska	40	470	129	19,414	34.30	22	144	28	4,398	36.35
Nevada	41	369	83	15,563	42.41	61	286	66	12,688	43.90
New Hampshire	17	55	9	1,543	39.56	25	69	14	2,646	44.10
New Jersey	280	1,963	344	65,264	43.11	413	2,561	540	101,845	42.85
New Mexico	81	526	112	16,022	32.43	115	696	135	19,950	33.70
New York	870	7,553	1,587	296,094	42.41	880	4,010	791	134,507	38.64
North Carolina	69	655	147	20,714	32.07	129	883	193	33,915	39.95
North Dakota	10	100	20	3,491	40.13	17	71	13	2,157	39.22
Ohio	181	1,965	488	80,518	37.50	523	1,975	365	63,843	39.75
Oklahoma	80	979	231	29,538	29.02	103	1,073	227	30,422	30.45
Oregon	85	607	148	21,667	33.33	162	662	132	23,267	40.05
Pennsylvania	436	4,357	898	144,849	36.65	1,140	4,411	925	158,940	39.03
Puerto Rico	64	508	112	11,012	22.34	207	2,158	474	53,648	25.72
Rhode Island	31	368	95	19,260	45.85	70	391	85	15,953	42.43
South Carolina	68	565	96	13,829	32.62	167	646	127	21,524	38.50
South Dakota	17	170	43	6,456	33.98	21	132	34	4,923	33.25
Tennessee	137	1,464	339	43,759	29.31	243	1,890	483	61,914	29.11
Texas	305	2,882	629	89,340	32.29	567	3,826	865	136,552	35.90
Utah	106	784	158	26,176	37.61	49	417	85	13,274	35.49
Vermont	15	132	27	4,969	42.11	14	62	13	2,203	40.05
Virginia	83	460	75	10,151	30.95	107	489	82	12,783	35.51
Virgin Islands	0	3	2	495	55.00	1	8	2	335	47.86
Washington	333	3,538	823	134,089	37.02	359	1,439	292	49,486	38.51
West Virginia	32	307	55	5,107	21.28	286	1,373	285	40,408	32.22
Wisconsin	94	524	109	18,104	37.72	137	937	208	38,731	42.38
Wyoming	15	71	13	2,239	39.28	21	51	15	2,061	36.80

1/ The programs for Federal civilian employees (UCFE) and for ex-servicemen (UCX), established under Title XV of the Social Security Act, became effective January 1, 1955, and October 27, 1958, respectively. Data exclude information on claims filed jointly with State unemployment insurance programs.

2/ Includes transitional claims.

3/ Unadjusted for voided benefit checks and transfers under interstate combined-wage plan.

4/ Includes data for total, part-total, and partial unemployment. Separate data for total unemployment are not available.

Income-Maintenance Program Operations

All Programs

	1966		1965	
	July	June	July	June
Total Public Income-Maintenance Payments (millions)	$3,424	$3,492	$3,096	$3,083
Old-age, survivors, and disability insurance	1,648	1,682	1,417	1,429
Railroad and public employee retirement	1/560	1/556	1/491	1/488
Unemployment insurance, temporary disability insurance, workmen's compensation, training benefits (ARA and MDTA)	2/338	2/348	2/358	2/372
Veterans' compensation and pension programs	366	372	376	333
Public assistance	511	534	454	460
Old-Age, Survivors, and Disability Insurance				
Total beneficiaries (thousands)	21,823	21,737	20,240	20,153
Retired workers	11,510	11,461	10,891	10,843
Survivors and dependents	9,253	9,226	8,398	8,367
Disabled workers	1,060	1,050	950	944
Total monthly benefits (millions)	3/$1,589	3/$1,581	3/$1,365	3/$1,357
Retired workers	968	964	850	845
Survivors and dependents	517	515	428	426
Disabled workers	104	103	87	86
Public Assistance				
Total recipients (thousands)	7,904	8,088	8,086	8,161
Federally aided programs	7,329	7,496	7,442	7,497
Aid to families with dependent children--children	3,385	3,418	3,292	3,326
Total recipients	4,475	4,520	4,377	4,429
Old-age assistance	2,094	2,107	2,145	2,149
Other federally aided programs	1,440	1,496	920	919
General assistance: Cases	279	286	306	318
Recipients	574	592	644	664
Total payments (millions)	4/$511	4/$534	4/$454	4/$460
Federally aided programs	481	503	424	429
General assistance	21	21	20	21

1/ Data not comparable with earlier reports. Effective January 1964, Federal noncontributory and State and local retirement systems previously included with the data for unemployment insurance, temporary disability insurance, and workmen's compensation are included with railroad and public employees retirement systems.
2/ Data for temporary disability insurance and workmen's compensation include estimated payments made by private insurers and self-insurers in accordance with law.
3/ Current payment status, excludes lump sum and retroactive payments and adjustmants for over and under payments.
4/ Total exceeds sum of items because of inclusion of vendor payments, not shown in detail.

Temporary Disability Insurance Activities Under State and Railroad Programs

	First claims received		Weeks compensated		Benefits paid		Benefits paid	
	August 1966	July 1966	August 1966	July 1966	August 1966	July 1966	August 1965	July 1965
California								
State plan								
Basic benefits	52,351	44,314	313,174	273,889	$17,351,960	$15,195,525	$15,944,188	$15,439,261
Additional hospital benefits	1/30,061	1/26,301	2/216,820	2/191,217	2,601,840	2,294,604	2,549,220	2,831,100
Private plan	3,560	3,116	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)
New Jersey								
State plan	8,006	7,275	62,044	53,970	2,434,643	2,130,165	2,143,420	2,150,613
Private plan	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)
New York	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)
Rhode Island	3,088	2,692	30,937	26,295	1,125,452	950,069	933,858	913,240
Railroad								
Sickness	11,072	30,313	4/102,316	5/70,624	3,537,817	1,908,977	3,783,356	2,002,338
Maternity	127	150	4/2,302	5/1,894	167,395	130,878	178,247	148,363

1/ Represents the number of payments made.
2/ Days for which additional hospital benefits were paid.
3/ Data not available.
4/ Estimated from data "benefit periods" compensated which number 51,158 for sickness and 1,151 for maternity.
5/ Estimated from data "benefit periods" compensated which number 35,312 for sickness and 947 for maternity.

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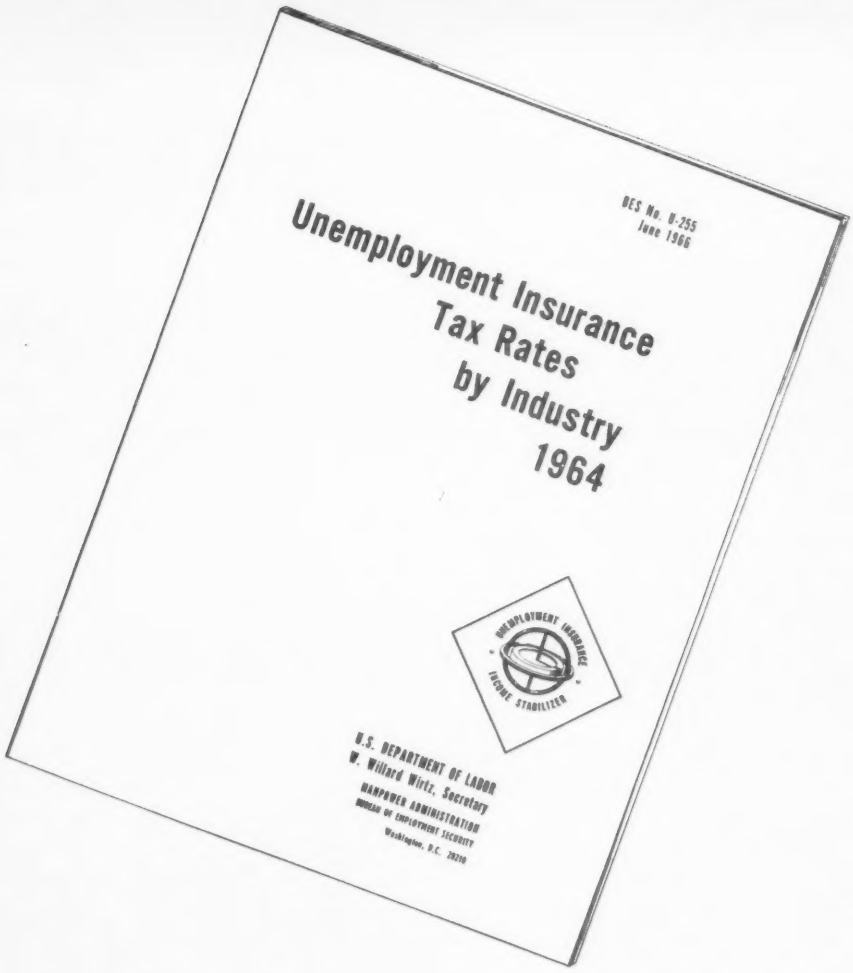

▶*Unemployment Insurance Tax Rates, by Industry, 1964* contains useful indicators of variations in the cost of unemployment insurance to the major types of industry.

▶Detailed data, shown separately for each of the 50 States, the District of Columbia, and Puerto Rico, include:

The taxable wage base, minimum and maximum statutory limits of employer tax rates, and the range of tax-rate schedules in effect during 1964;
Average employer contribution rates (as percent of taxable and total wages) by major industry division;
Covered employment and wages, taxable wages (dollar amount and as percent of total wages), and average tax rate as a percent of taxable and of total wages, for all major industry divisions and the principal two-digit industry classifications.

▶Single copies of *Unemployment Insurance Tax Rates, by Industry, 1964* (BES No. U–255, June 1966) may be obtained without cost, as long as supplies permit, by writing to Unemployment Insurance Service, Bureau of Employment Security, U.S. Department of Labor, Washington, D.C. 20210.

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